

**NEW HAMPSHIRE STATE LIQUOR COMMISSION**  
**MINUTES**  
**January 21, 2009**

PRESENT: ; Commissioner Patricia Russell; Commissioner Richard Simard; Lt. Valarie Smith, Enforcement; Craig Bulkley, Chief of Administration;; John Bunnell, Administrator of Marketing & Sales; Peter Engel, Director of Store Operations; Tony Burns, Assistant Director of Store Operations; Rick Gerrish, Spirits Marketing Specialist; Nicole Brassard, Wine Marketing Specialist; Kathy McCabe, Director of Purchasing; Evie Taft, Director of Human Resources; Deb Milewski, Director of information Technology;

Excused: Chairman Mark Bodi, George Tsiopras, Chief Financial Officer, Chief Eddie Edwards

**I) ACCEPTANCE OF MINUTES FROM THE JANUARY 14, 2009 NH STATE LIQUOR COMMISSION MEETINGS.**

A motion was made by Commissioner Simard to accept the minutes from the January 14, 2009 Commission Meeting. Commissioner Russell seconded the motion. The motion was unanimously accepted.

**II) ADMINISTRATIVE SERVICES REPORTS**

1) Administrative Issues

Tomorrow the warehouse truck bay project contract begins. Subcontractors will begin by drilling holes into the floor, the concrete company will be injecting concrete mixture to fill the void. Hopefully this will be done Friday.

Regarding new legislation, Craig sent a list to commissioners and bureau chiefs of those LSRs that have been converted to bills. There are three more fiscal notes that were finished yesterday and forwarded to the appropriate people and copies will be forwarded to our team. Legislative updates will be provided on a daily basis as needed, until the legislative session is over in May.

2) Financial Report

Total sales ending January 18, 2009 with weekly comparison sitting at 5.5 %, and the year to date is sitting at 5.3% - weekly sales up \$388,651 compared to last year.

3) IT Report

IT is focusing on changes and support of Wine Week, working with George and Craig gathering information for deliverables that have been requested by the LBA for 1994 audits.

4) Human Resources

The Division of Personnel is printing up an employee newsletter. They are asking for agencies to submit referrals of employees that should be recognized. These employees would be someone that goes above and beyond in their position. If the Commission has someone to recognize, it should go to HR here, and it will be passed along to the Division of Personnel. Any submission should be done soon so to meet the next issue, by mid to late February.

There was discussion about the Commission's overdue evaluation reports. Good job to all with getting them in to HR. Currently there are 3 out of headquarters, 3 out of Marketing, and 3 out of the stores.

Discussion regarding Workers' Compensation for Liquor is current. In December there were 6 claims. Three were hand injuries, 1 back injury, and 2 knee injuries. There are still 2 people out with ongoing

workers' comp injuries. One employee is out on leave without pay, and 4 are out on Family Medical Leave.

### III) **MARKETING AND SALES REPORT**

Wine Week starts Thursday of this week. Everyone has worked very hard and it's showing. A thank you goes out to all involved. This Wine Week is the most successful wine week we have encountered. Again, good job to all.

#### 1) Store Operations

Up \$199,000 or a little under 4% for the week. Considering weather conditions, that's impressive. We're coming of the quarterly inventory in the stores and now we're currently in clean up mode for inventory. Work will begin starting in February on the new location in Plaistow.

The maintenance crew is getting things together in their new area. Shelving will be sent to Nashua to be reused.

There are 2 items for today's Executive Session.

#### 2) Merchandising Report

##### A. Purchasing

Nothing in purchasing to report.

##### B. Warehouse

We have a new high for cases on hand in the warehouse. We have 52% more than last year.

Spirits Agenda items were reviewed on an item by item basis. Following review of each item Commissioner Simard made the motion to accept the recommendations made by Rick Gerrish, Spirits Specialist, to approve the items listed below. Commissioner Russell seconded the motion. All in favor, the motion is accepted.

#### C. Spirits

##### 1. Test Market Request

- a. Approved the request received from Southern Wine & Spirits to list Absolut Mango Vodka, 750ML size (new code--#3370) as a test market item.

##### 2. One Time Buy Request

- a. Approved the request received from Southern Wine & Spirits to purchase 300 cases of Buffalo Trace Bourbon, 750ML size, as a one time purchase.

Approved the request received from Southern Wine & Spirits to purchase 150 cases of Jameson Irish Whiskey in the 200ML size (new code--#728) as a one-time purchase.

**Denied** the request received from Southern Wine & Spirits to purchase 10 cases of Jameson Gold Reserve Irish Whiskey in the 750ML size, as a one time purchase.

- b. Approved the request received from Pup's Cider Company to purchase 50 cases of Columba Cream Liqueur, 750ML size, as a one time purchase

##### 3. March Special Offers

- a. Approved 213 spirit special offers received from Southern Wine & Spirits for the month of March.

- b. Perfecta Wine Company

Approved 1 spirit special offer received from Perfecta Wine Company for the month of March.

4. St. Patrick's Day Sale Special Offers

Approved 11 spirit special offers received for our St. Patrick's Day Sale scheduled for the period March 12<sup>th</sup> through March 22<sup>nd</sup>, 2009, Southern Wine & Spirits

5 E-Mail Sign up Coupon for the month of February

Approved conducting an e-mail sign-up coupon in conjunction with Travel & Tourism during the promotional month of February whereby if consumers give their e-mail address and sign-up to receive the monthly e-mail blast and they purchase \$25 or more at any liquor and wine outlet store, they will receive \$5.00 off their purchase.

6. Bourbon Sale Special Offers – Horizon Beverages

Approved 4 spirit special offers received from Horizon Beverages for our Bourbon sale scheduled for the promotional month of March,

7. Full Distribution Request

- a. Approved the request received from Southern Wine & Spirits to expand the distribution of Code #2161, Canadian Club Classic 12 Year Old, 750ML size, from its current "Specialty" status to full distribution.

Previously TABLED ITEM: Spirit Delisting & Warning recommendations – approved as recommended by Rick Gerrish.

Nicole reported that Wine Week is starting this Friday. There are 35 personalities scheduled throughout NH for Wine Week, with lots of celebrities coming in for the week. This week just keeps growing through the years. We've had some good advertisement going out for it. Ticket sales are good with less than 30 tickets left for the Easter Seals Event. There are many in-store tastings and other events going on through the week. This is another success for Wine Week in NH.

Wines Agenda items were reviewed on an item by item basis. Following review of each item Commissioner Simard made the motion to accept the recommendations made by Nicole Brassard, Wine Specialist, to approve the items listed below. Commissioner Russell seconded the motion. All in favor, the motion is accepted.

D. Wines

1. Gift Card Promotion for March 2009

Approved the request received from Southern Wine & Spirits to conduct an in-store gift card promotion during the month of March in conjunction with wine codes #42640, 42642, 44233, 44234, 25808, 36153, 32907 and 39348 whereby consumers can mail-in entry forms for a chance to win one \$600 Mohegan Sun resort and casino gift card.

2. Specialty Buy in for Wine Week 2009

- a. In support of our Wine Week Celebrities, approved purchasing the following wines to be featured in Store #60: Fernando Pavon wine codes #45524 (2 cases); #45525 (2 cases); #12064 (1 case); and #12065 (1 case)

3. Test Market Results

Approved expanding the distribution of a list of wine test market products  
Approved "removing from retail" a list of wine test market products

4. Recommendation for Wines for Distribution to Selected Stores

Approved the recommended allocated wines for distribution to selected stores (11 items) submitted by Nicole dated January 20<sup>th</sup>.

5. Top 1200 Gross Profit Requirements for Wine Week ending 1/1/09  
Approved the adoption of the new top 1200 wine gross profit dollar levels ending 1/1/09, as outlined in Liq 301 as follows: new six month gross profit levels are 325-\$14,541.50; 750-\$6,749.44; and 1200-\$3,607.98, and the second size requirement of \$43,624.50,
6. “WOW” Ad Pricing Wine Items – Feb. 5 thru Feb. 16  
Approved reducing the sale price of seven wine products to \$9.99 during the President’s Day Sale period, February 5<sup>th</sup> through February 16<sup>th</sup>, 2009
7. Specialty Buy In  
Approved the request received from Horizon Beverages to purchase 56 cases of Code #11587, Taz Fiddlestix Pinot Noir to be placed in our account for stores to draw from and feature at \$24.99
8. Information Only
  - a) Acknowledged the request received from RP Imports to hold in-store tastings from 3:30 to 5:30 p.m. on January 28<sup>th</sup> in store #6 with Kevin Holt pouring MacRostie wine codes #25963, 25964, 45827, and 45828 – and in store #69 with Tom Eddy (pouring Tom Eddy wine codes #46765, 46766 and 46768); Rick Middleton (pouring Clayhouse wine codes #46764, 10666, 11169 and Cadaretta wine codes #11395, 11394, and 11959); and Gabe Magee (pouring Belle Valle wine codes #46865, 46870, and 46868), as recommended.
  - b) Acknowledged the request received from Wineberries to hold the following in-store tastings: January 28<sup>th</sup> from 3:30-5:30 in store #69 – Melissa Stroud from Michael & David Vineyards pouring wine codes #39335, 41157, 43434, 41159 and Louis de Coninck of Beaucanon Estates pouring wine codes #32822, 32821, 39739, 32823; January 26<sup>th</sup> from 4-6 p.m. in store #15 – Melissa Stroud from Michael & David Vineyards pouring wine codes #39335, 41157, 43434, 41159; January 27<sup>th</sup> from 3:30-5:30 p.m. in store #69 – Anthony Truchard of Truchard Vineyards pouring wine codes #33061, 37387, 32805; January 27<sup>th</sup> from 4-6 p.m. in store #55 – Louis de Coninck of Beaucanon Estates pouring wine codes #32822 and 32823; and January 27<sup>th</sup> from 4-6 p.m. in store #6 – Melissa Stroud from Michael & David Vineyards pouring wine codes #39335, 41157, 43434, and 41159.
  - c) Acknowledged the request received from Poverty Lane Orchards to hold in-store tastings in store #15 on January 24<sup>th</sup> from 3-5:30 p.m.; store #69 on January 25<sup>th</sup> from 3-5:30 p.m.; store #24 on January 30<sup>th</sup> from 4:30-6:30 p.m.; store #21 on January 30<sup>th</sup> from 4:30-6:30 p.m.; store #22 on January 31<sup>st</sup> from 3-5:30 p.m.; store #60 on January 31<sup>st</sup> from 3-5:30 p.m.; and store #71 on February 8<sup>th</sup> from 3-5:00 p.m., as recommended. Wine codes to be poured are Farnum Hill cider codes #43922, 43920, and 43918.
  - d) Acknowledged the request received from Martignetti Companies to hold in store tastings on January 30<sup>th</sup> from 3-6 p.m. in store #55; January 31<sup>st</sup> from 1-4 p.m. in store #69; on February 7<sup>th</sup> from 1-4 p.m. in store #34; and on February 13<sup>th</sup> from 3-6 p.m. in store #33, as recommended. Wine code to be poured is #39042.
  - e) Acknowledged the request received from Horizon Beverages to hold in-store tastings and bottle signings on January 28<sup>th</sup> in store #60 with Fernando Pavon with wine codes #45524, 45525, 12064 and 12065; on January 28<sup>th</sup> with Margo Van Staaveren in store 38 from 11-12 noon; store #73 from 1:30-2:30 p.m. and store #76 from 3-4 p.m.; on January 29<sup>th</sup> with Margo Van Staaveren in store

#66 from 11-12 noon; store #67 from 12:30-1:30 p.m. and store #69 from 2-3 p.m.

- f) Acknowledged the request received from MS Walker to hold in-store tastings on January 28<sup>th</sup> at store #69 with John Matta of Treana Winery from 4-6:30 (pouring wine codes #31070 and 31482) and in store #55 with Jason Diefenderfer of Castello Vicchiomaggio from 4-6:30 p.m. (pouring wine codes #11355 and 11356).
- g) Acknowledged the request received from Southern Wine & Spirits to hold in-store tastings from 12-1:30 p.m. on January 28<sup>th</sup> in store #50 and on January 29<sup>th</sup> in stores #34 and #68, as recommended. Wine codes to be poured are Wild Horse codes #29960, 27831, 29407, 27835, 11461 and 11468.
- h) Acknowledged a list of test market codes which Nicole will continue to review and monitor for gross profit information.

- 9. Primary Source Recommendations
  - Approved all primary source submissions
  - a. Exclusive – 16, Imported – 6

#### **IV) ENFORCEMENT & LICENSING REPORT**

Lt. Valarie Smith, reported that there are no issues at this time. Enforcement has a new employee, who is on her 3<sup>rd</sup> week with Liquor. Lt. Smith state that she ranked in the top 10.

#### **V) CHAIRMAN'S REPORT & LATE ITEMS**

- a. Bailment Requests
- b. Coupon Approvals
- c. Legal Issues
- d. Late items / Other

#### **VI) EXECUTIVE SESSION**

At 1:30 p.m. a motion was made by Commissioner Russell to go into non-public session under Section 11(a) and (d) of RSA 91-a for the purpose of promoting and disciplining personnel, seconded by Commissioners Simard, which was unanimously adopted on a roll call vote.

*Excused*

---

**Mark M. Bodi, Chairman**

---

**Patricia T. Russell, Commissioner**

---

**Richard E. Simard, Commissioner**